

106TH CONGRESS
2D SESSION

S. 2858

To amend title XVIII of the Social Security Act to ensure adequate payment rates for ambulance services, to apply a prudent layperson standard to the determination of medical necessity for emergency ambulance services, and to recognize the additional costs of providing ambulance services in rural areas.

IN THE SENATE OF THE UNITED STATES

JULY 13, 2000

Mr. GRAMS introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend title XVIII of the Social Security Act to ensure adequate payment rates for ambulance services, to apply a prudent layperson standard to the determination of medical necessity for emergency ambulance services, and to recognize the additional costs of providing ambulance services in rural areas.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Medicare Access to
5 Ambulance Services Act of 2000”.

1 **SEC. 2. PAYMENT RATES.**

2 (a) IN GENERAL.—Section 1834(l)(3) of the Social
3 Security Act (42 U.S.C. 1395m(l)(3)) is amended to read
4 as follows:

5 “(3) PAYMENT RATES.—

6 “(A) GROUND AND AIR AMBULANCE PAY-
7 MENT RATES.—Subject to the succeeding provi-
8 sions of this paragraph, in establishing such fee
9 schedule, the Secretary shall—

10 “(i) set the payment rates provided
11 under the fee schedule for ground ambu-
12 lance services furnished under this part
13 during 2001 at a rate based on the aver-
14 age costs (as determined by the Secretary
15 based on a study performed by an inde-
16 pendent research organization of such
17 costs, adjusted for inflation if necessary)
18 incurred by full cost ambulance suppliers
19 in providing nonemergency basic life sup-
20 port ambulance services covered under this
21 title, with adjustments to the rates for
22 other service levels to be determined based
23 on the rule negotiated in accordance with
24 paragraph (1); and

25 “(ii) set the payment amounts pro-
26 vided under the fee schedule for all ambu-

1 lance services furnished in 2002 and each
2 subsequent year at amounts equal to the
3 payment amounts under the fee schedule
4 for services furnished during the previous
5 year, increased by the percentage increase
6 in the Consumer Price Index for all urban
7 consumers (United States city average) for
8 the 12-month period ending with June of
9 the previous year.

10 “(B) STUDY AND REPORT ON THE COSTS
11 OF RURAL AMBULANCE SERVICES.—

12 “(i) STUDY.—The Secretary, in con-
13 sultation with the Office of Rural Health
14 Policy, shall conduct a study of the means
15 by which rural areas with low population
16 densities can be identified for the purpose
17 of designating areas in which the cost of
18 providing ambulance services would be ex-
19 pected to be higher than similar services
20 provided in more heavily populated areas
21 because of low usage. Such study shall also
22 include an analysis of the additional costs
23 of providing ambulance services in areas
24 designated under the previous sentence.

1 “(ii) REPORT.—Not later than June
2 30, 2001, the Secretary shall submit to
3 Congress a report on the results of the
4 study conducted under this section, to-
5 gether with a regulation based on that
6 study which adjusts the fee schedule pay-
7 ment rates for ambulance services provided
8 in low density rural areas based on the in-
9 creased cost of providing such services in
10 such areas.

11 “(iii) IMPLEMENTATION OF REGULA-
12 TION.—The regulation submitted under
13 clause (ii) shall become effective not later
14 than January 1, 2002.

15 “(C) INTERIM PAYMENTS FOR RURAL
16 GROUND AMBULANCE SERVICES.—Notwith-
17 standing subparagraph (A)(i) of this paragraph,
18 until such time as the fee schedule established
19 under this subsection is modified by the regula-
20 tion under subparagraph (B), the amount of
21 payment under this subsection for ground am-
22 bulance services provided in a rural area (as de-
23 fined in section 1886(d)(2)(D)) shall be the
24 greater of—

1 “(i) the amount determined under the
 2 fee schedule established under this sub-
 3 section (without regard to any phase-in es-
 4 tablished pursuant to paragraph (2)(E));
 5 or

6 “(ii) the amount that would have been
 7 paid for such service if the amendments
 8 made by section 4531(b) of the Balanced
 9 Budget Act of 1997 had not been enacted;
 10 as adjusted for inflation pursuant to subpara-
 11 graph (A)(ii). For purposes of this subpara-
 12 graph, an ambulance trip shall be considered to
 13 have been provided in a rural area only if the
 14 transportation of the patient originated in a
 15 rural area.”.

16 (b) CONFORMING AMENDMENTS.—Section
 17 1833(a)(1) of the Social Security Act (42 U.S.C.
 18 1395l(a)(1)) is amended—

19 (1) in subparagraph (R)—

20 (A) by inserting “except as provided in
 21 subparagraph (T),” before “with respect”; and

22 (B) by striking “and” at the end; and

23 (2) in subparagraph (S), by striking the semi-
 24 colon at the end and inserting “, and (T) with re-
 25 spect to ambulance services described in section

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply with respect to services provided on and after January 1, 2001.

(a) IN GENERAL.—Section 1861(s)(7) of the Social Security Act (42 U.S.C. 1395x(s)(7)) is amended by striking “regulations;” and inserting “regulations, except that such regulations shall not fail to treat ambulance services as medical and other health services solely because the ultimate diagnosis of the individual receiving the ambulance services results in the conclusion that ambulance services were not necessary, as long as the request for ambulance services is made after the sudden onset of a medical condition that is manifested by symptoms of such sufficient severity, including severe pain, that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect to result, without immediate medical attention, in—

•S 2858 IS

1 “(B) serious impairment to the individual’s
2 bodily functions; or

3 “(C) serious dysfunction of any bodily
4 organ or part of the individual;”.

5 (b) EFFECTIVE DATE.—The amendment made by
6 this section shall apply with respect to services provided
7 on and after the date of enactment of this Act.

○